

CLAIMS

We Claim:

1. A method for restructuring the debt of a debtor who has an interest in a distressed property
5 comprising the steps of:

purchasing said distressed property from said debtor by satisfying a mortgage balance
remaining on the property;

satisfying said debtor's outstanding personal debt; and

reselling said property back to said debtor at an appraised present value of the home.

10 2. A method for restructuring the debt of a debtor who has an interest in a distressed property
comprising the steps of:

calculating a balance of the debtor's personal debt (B);

determining a mortgage balance remaining on the property (M);

15 determining the property's present appraised value (A);

calculating a first closing cost (C_1) for purchasing the home from the debtor based upon
the mortgage balance remaining on the property (M);

calculating a second closing cost (C_2) for reselling the property back to the debtor based
upon the present appraised value of the property (A);

20 calculating a down payment (D) for reselling the property back to the debtor at the
appraised value of the property (A); and

determining a total cost (T_C) for purchasing the property from the debtor, satisfying the
debtor's personal debt and reselling the property back to the debtor at a present appraised value
of the property.

3. The method according to claim 2, wherein said total cost (T_C) is determined according to the equation $T_C = (B + M + C_1 + C_2 + D)$.

4. The method according to claim 2, further comprising:

comparing the total cost (T_C) to the present appraised value of the property (A) to determine if the present appraised value of the home (A) exceeds the total cost (T_C) by a preselected amount.

5. The method according to claim 4, further comprising:

purchasing said property from said debtor.

6. The method according to claim 5, further comprising:

if said appraised value of the property (A) exceeds said total cost (T_C) by said preselected amount, satisfying said debtor's balance of personal debt (B) and reselling said property back to said debtor at the present appraised value of the home (A).

7. The method according to claim 6, further comprising:

providing funds for the costs of said first closing cost (C_1), second closing cost (C_2), down payment (D) and satisfaction of balance remaining on the property (M).

8. The method according to claim 4, further comprising:

if said appraised value of the property (A) does not exceed said total cost (T_C) by said preselected amount determining a time period (x), wherein time period (x) is the time it will take

said debtor to substantially eliminate said balance of said personal debt (B)

9. The method according to claim 8, wherein said time period is calculated according to the equation $x = (B+L)/I$, wherein x is the time period, B is the balance of personal debt, L is an estimated yearly liability, and I is a yearly income.

10. The method according to claim 8, further comprising:

if said time period (x) is one year or less leasing said property to said debtor for a initial time period rent free and leasing said property to said debtor for a second time period after said initial time period at a selected rental rate.

11. The method according to claim 10, further comprising:

controlling said debtor's finances for a selected period to ensure a reduction in said debtor's balance of personal debt (B).

12. The method according to claim 11, further comprising:

reselling said property back to said debtor after said balance of personal debt (B) has been substantially eliminated.

13. The method according to claim 12, further comprising:

providing funds for the costs of said first closing cost (C_1), second closing cost (C_2), down payment (D) and satisfaction of balance remaining on the property (M).

14. The method according to claim 8, further comprising:

if said time period (x) is more than one year leasing said property to said debtor at a selected rental rate.

5 15. A method for restructuring the debt of a debtor who has an interest in a distressed property by a third party comprising the steps of:

purchase of said distressed property by said third party from said debtor by satisfying a mortgage balance remaining on the property;

satisfaction of said debtor's outstanding personal debt by said third party; and

10 resale of said property by said third party back to said debtor at an appraised present value of the home.

16. The method according to claim 15, further comprising:

15 said third party determining a total cost for purchasing said property from said debtor, satisfying said debtor's outstanding personal debt and reselling said property back to said debtor at the appraised present value of the home.

17. The method according to claim 15, wherein said property is immediately purchased and resold to said debtor by said third party.

18. The method according to claim 15, wherein said property is purchased by said third party, rented to said debtor for a selected period and then resold back to said debtor.

19. A method for restructuring the debt of a debtor who has an interest in a distressed property by a third party comprising the steps of:

comparing a present appraised value of the property to a total costs for purchasing said property from said debtor, satisfying said debtor's outstanding personal debt and reselling the property to another party at the present appraised value of the home;

if the present appraised value of the property exceeds the total costs by a preselected amount said third party purchases said property from said debtor.

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